

ABSTRACT OF THE DISCLOSURE

A system and method for facilitating the financing of a transaction between a vendor and a customer for goods and/or services. Prior to the commencement of the transaction between the vendor and the customer, the customer executes a note that is payable to a lending institution such that the customer will be obliged to pay the lending institution after the vendor provides the purchased goods and/or services. As the customer makes payments to the lending institution, the lending institution retains an interest portion of the payment and the vendor is paid a principal portion of the payment. In another embodiment, a loan servicing company may act to facilitate the transaction between the vendor, the lending institution and the customer such that all necessary paperwork and applications may be centrally controlled. In yet another embodiment, this system and method may be implemented electronically so that the financing of the transaction may occur electronically without the generation of excessive paperwork. Yet another aspect of the invention contemplates that a loan servicing company will maintain electronic databases that contain information about qualified vendors, customers and lending institutions so as to facilitate financing of transactions.